

753391.25576-L43478

STATE OF NORTH CA	ROI INA		File No.	
STATE OF MORTH OF	Ell FD	,	In The Cond	eral Court Of Justice
Wake	County LED			uperior Court Division
Name And Address Of Plaintiff 1	2013 MAY 15 PM 3:			
			GENERAL	-
Marketel Media, Inc.	WAKE COUNTY, C.S	O 1 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	ACTION COVE	R SHEET
		🧢 🙀 INITIAL F		SEQUENT FILING
Name And Address Of Plaintiff 2	BY	Rule 5(b Name And Address Of Atto), Rules of Practice For	Superior and District Courts
Samuel T. Hassell	•	appearance or change of a	ddress)	ssented (complete for initial
		William S. Cherry, P. O. Box 20389	111	
VERSU	10	Raleigh, NC 2761	19-0389	
Name Of Defendant 1				
		Telephone No. 919-787-8		phone No.
Mediapotamus, Inc.		NC Attorney Bar No. Attorney E-Mail Address		
		33860	cherry@mannin	
Summons Submitted ▼ Yes No		Initial Appearan	ce in Case	☐ Change of Address
Name Of Defendant 2		Manning Fulton &	Skinner, P.A.	
Kelly Jenkins Ortiz		FAX No.	919-325-460	4
		Counsel for		
Summons Submitted		All Plaintiffs A	Il Defendants 📋 Oni	y (List party(ies) represented)
Yes No		Amount in controve	rsy does not exceed \$	15 000
Jury Demanded In Pleading Complex Litigation		Amount in controversy does not exceed \$15,000 Stipulate to arbitration		
	TYPE OF	PLEADING (check all that apply)	des 24 to bear of the contract	
(check all that apply) Amend (AMND) Assess Motion Fee		Failure To Join Ned	cessary Party (FJNP) A	ssess Motions Fee
Amended Answer/Reply (AMND-Res	ponse) Assess Motion Fee	Failure To State A Claim (FASC) Improper Venue/Division (IMVN) Assess Motions Fee		
Amended Complaint (AMND) Assess Answer/Reply (ANSW-Response)	s wouldn'ree	Intervene (INTR) Assess Motions Fee		
Change Venue (CHVN) Assess Motion	on Fee	Interplead (OTHR) Assess Motions Fee Lack Of Jurisdiction (Person) (LJPN) Assess Motions Fee		
Complaint (COMP) Confession Of Judgment (CNFJ)		Lack Of Jurisdiction (Subject Matter) (LJSM) Assess Motions Fee		
Consent Order (CONS)		Rule 12 Motion In Lieu of Answer (MDLA) Assess Motions Fee		
Consolidate (CNSL) Assess Motions Contempt (CNTP) Assess Motions F	ee	Sanctions (SANC) Assess Motions Fee Set Aside (OTHR) Assess Motions Fee		
Continue (CNTN) Assess Motions Fe	ee	Show Cause (SHOW) Assess Motions Fee Transfer (TRFR) Assess Motions Fee		
Compel (CMPL) Assess Motions Fee		Third Party Compla	Third Party Complaint (List Third Party Defendants on Back) (TPCL)	
Crossclaim (List On Back) (CRSS) Assess Court Costs		Vacate/Modify Judgment (VCMD) Assess Motions Fee Withdraw as Counsel (WDCN) Assess Motions Fee		
Dismiss (DISM) Assess Court Costs Exempt/Waive Mediation (EXMD) Assess Motions Fee		Other (specify and list each separately)		
Extend Status Of Limitations, Rule 9 Extend Time For Complaint (EXCO)				
NOTE: See Side Two for a list of motion				
	CLAIMS F	OR RELIEF	122-7-1-12-1-12-1-12-1-1	
Administrative Appeal (ADMA)	Injunction (INJU)	· (MADAMA)	Limited Drivir Convictions	ng Privilege - Out-Of-State
Appointment Of Receiver (APRO				of Personal Property
Attachment/Garnishment (ATTC) Minor Settlement Money Owed (MN		(POPP)	
		or Vehicle (MVNG)	Product Liabi	• •
☐ Condemnation (CNDM) Regligence - Other			Real Property	y (RLPR) ormance (SPPR)
☐ Contract (CNTR)	☐ Motor Vehecle Lie	en G.S. 44A (MVLN)		y and list separately)
Discovery Scheduling Order (DS	SCH)			udgment; Defamation
Date		Signature Of Attorney/Part		
May 15.	2013	\perp (\setminus \rightarrow	YOF	rmat prescribed by the
NOTE: All filings in civil actions shall include	e as the first page of the filing a cover she and the Clerk of Superior Court shall requ	et summanzing the chtical ei iire a party to refile a filing wi	iements of the niling in a ro nich does not include the r	equired cover sheet. For

Administrative Office of the Courts, and the Cierk of Superior Court Shall require a party to refine a filling which does not include the required cover sheet. For subsequent fillings in civil actions, the filling party must either include a General Civil (AOC-CV-751), Motions (AOC-CV-752) or Court Action (AOC-CV-753) cover sheet (Over)

-751. Rev. 6/11. © 2011 Administrative Office of the Courts AOC-CV-751, Rev. 6/11, @ 2011 Administrative Office of the Courts

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Ass Imp Mod	NOT CHARGE MOTIONS FEE sess costs (COST) Including Attorney's Fees (ATTY) slementation Of Wage Withholding In Non-IV-D Cases (OTHR) diffication Of Child Support In IV-D Actions (MSUP) sice Of Dismissal With Or Without Prejudice (VOLD) ition To Sue As Indigent (OTHR)	
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Mo Vic	NOT CHARGE MOTIONS FEE. OTHER FEES APPLY tion Ffor Out-of-State Attrorney To Appear In NC Courts In A Civil Or Criminal Matter (Out Of State Attorne e Fee) quest For Subpoena By Out-Of-State Attorney	y/Pro Hac
No.	☐ Additional Plaintiff(s)	
No.	☐ Additional Defendant(s) ☐ Third Party Defendant(s)	Summons Submitted
		☐Yes ☐ No
		☐Yes ☐ No
		Yes No
		Yes No
		☐Yes ☐ No
Plaintiff	(s) Against Whom Counterclaim Asserted	
Defend	lant(s) Against Whom Crossclaim Asserted	
AOC © 20	:-CV-751, Side Two, Rev. 6/11 11 Administrative Office of the Courts	

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FILED	
STATE OF NORTH CAROLINA	IN THE GENERAL COURT OF JUSTICE
COUNTY OF WAKE WAKE COUNTY, C.	13-CVS-
MARKETEL MEDIA, INC. and SAMUEL T. HASSELL, BY	A many insummer
Plaintiffs,	
٧.	VERIFIED COMPLAINT
MEDIAPOTAMUS, INC. and KELLY JENKINS ORTIZ,	
Defendants.	

Plaintiffs Marketel Media, Inc. and Samuel T. Hassell [collectively "Plaintiffs"], complaining of Defendants Mediapotamus, Inc. and Kelly Jenkins Ortiz [collectively "Defendants"] allege as follows:

PARTIES AND JURISDICTION

- 1. Marketel Media, Inc. ["Marketel"] is a North Carolina corporation with offices and a principal place of business in Wake County, North Carolina.
- 2. Samuel T. Hassell ["Hassell"] is a citizen and resident of Wake County, North Carolina, the sole director of Marketel and owner of 51% of the shares of stock of Marketel.
- 3. Upon information and belief, Mediapotamus, Inc. ["Mediapotamus"] is a California corporation and, upon information and belief, at relevant times has conducted its business nationwide including, but not necessarily limited to, business with Marketel in North Carolina.
- 4. Upon information and belief, Kelly Jenkins Ortiz ["Ortiz"] is sole shareholder and owner of Mediapotamus and owns 49% of the shares of Marketel stock.

- 5. Based on the facts alleged herein, the court has jurisdiction over the parties and the subject matter of this action pursuant to applicable North Carolina law, including but not limited to N.C. Gen. Stat. 1-75.4(1), N.C. Gen. Stat. 1-75.4(5) and N.C. Gen. Stat. 1-75.4(6), N.C. Gen. Stat. § 1-253 et seq.
- 6. The Court has jurisdiction over the parties and subject matter in this action and venue is proper in this Court.

THE MARKETEL COMPENSATION MODEL

- 7. Marketel was incorporated as a North Carolina corporation in July 2011 by Hassell.
- 8. Marketel is engaged in the business of providing advertising, planning, placement, buying and related negotiations, activities and services primarily using radio and dedicated email blasts throughout the United States.
- 9. Since its inception in 2011, Marketel has entered into written or oral agreements with other entities working in the radio and dedicated email advertising niche industry in joint venture type arrangements to conduct the desired advertising. Marketel commonly refers to these entities as "Associate Entities."
- 10. Each Associate Entity works with its network of contacts and potential clients in need of radio and dedicated email advertising to obtain advertising services work for Marketel.
- 11. Marketel provides resources and brand identity for the Associate Entity with respect to Marketel's areas of expertise.
- 12. Hassell, individually, provides consulting and strategic advice to the Associate Entities to assist in their procurement of advertising business and frequently permits new Associate Entities to play an active role in managing, negotiating and consulting with clients that

Hassell and/or his Associate Entities (see Paragraph 20 below) procure as clients for Marketel. Hassell's goal is to provide new Associate Entities with the opportunity to quickly gain experience in the niche market in order to increase the ability of those Associate Entities to procure new clients for Marketel which in turn make the Associate Entities more profitable pursuant to the compensation plan described below,

- 13. Once an Associate Entity identifies prospective clients in need of the services provided by Marketel, those prospective clients become clients of Marketel ["Marketel Clients"] by entering into agreements with Marketel for the particular advertising services needed.
- 14. Per their agreements, the Marketel Clients pay Marketel a sum of money ["Media Buy Compensation"] (a) to buy media advertising, usually radio, email blast and related advertising services, and (b) to compensate Marketel for the services rendered.
- 15. The portion of the Media Buy Compensation in Paragraph 14(b) above which is paid as compensation to Marketel for services rendered is used (a) for payment of Marketel's overhead and operating expenses associated with the services provided and (b) for payment of compensation for the procuring Associate Entities.
- 16. More specifically, an agreed upon portion of the Media Buy Compensation described in Paragraphs 14 and 15 above is paid directly to the Associate Entities which procured the client for Marketel ["Associate Payment"].
- 17. Following payment of the Associate Payment, the remaining portion of the Media Buy Compensation is used for payment of Marketel's overhead and expenses for each Marketel Client.
- 18. In the event that Marketel retains money from the Media Buy Compensation following payment of the Associate Payment and Marketel expenses and overhead, the sum that

remains is, at the discretion of Hassell, divided among other Associate Entities and/or individuals associated with Marketel that assisted Marketel in the servicing of the particular client.

- 19. In addition, the procuring Associate Entitles, in their sole discretion, may choose to use a portion of the Associate Payment they receive from Marketel to compensate other persons, entities or Associate Entities that assisted with the services and work for particular clients.
- 20. Hassell is (and has been) the sole owner and operator of multiple entities that work as Associate Entities to procure advertising clients for Marketel. Each of the Associate Entities owned and operated by Hassell follow the above described compensation model following their procurement of advertising services work for Marketel and routinely compensate other Associate Entities that assist in serving the clients procured for Marketel by Hassell's Associate Entities.

MEDIAPOTAMUS AND ORTIZ

- 21. In addition to the Associate Entities owned and operated by Hassell, Marketel also enters into agreements with Associate Entities owned and operated by third persons.
- 22. One of the Associate Entities with which Marketel entered into a oral agreement consistent with the compensation terms set forth herein was Mediapotamus, solely owned and operated by Ortiz.
- 23. Separate and distinct from the agreement between Mediapotamus and Marketel, Ortiz, individually, also became a shareholder of Marketel.
- 24. Consistent with his general practice following an agreement between Marketel and a new Associate Entity, Hassell permitted Mediapotamus, and therefore Ortiz, to take an active day to day role in the management and consulting services for AMAC, Inc. (the

Association of Mature American Citizens), a client procured for Marketel by In Hoc Signo, Inc., an Associate Entity owned and operated by Hassell, as well as other clients procured by Hassell's Associate Entities.

- 25. In addition, and pursuant to its agreement with Marketel, Mediapotamus, like all other Associate Entities, agreed to and was expected to work to obtain new advertising and marketing work for Marketel, in turn for which it would be compensated as set forth and described above.
- 26. Mediapotamus performed management services, consulting services, radio planning and associated digital and email blast buying services for AMAC, Inc. and other Marketel Clients procured by Hassell's Associate Entities for which Mediapotamus was compensated in the discretion of Hassell as the procuring Associate Entities.
- 27. Mediapotamus was also paid a share of Marketel's income directly resulting from clients procured by other Associate Entities in the discretion of Hassell based on the work Mediapotamus/Ortiz performed for the benefit of those clients.
- 28. Mediapotamus also managed and maintained the payroll, finances, and accounting books and records for Marketel.
- 29. Mediapotamus never obtained or procured any clients for Marketel and thus was never directly compensated as a procuring Associate Entity as described above.
- 30. Upon information and belief, Mediapotamus had other clients for which it performed advertising and advertising related work similar to the work performed by Marketel, but it never delivered those clients to Marketel and Marketel never received any compensation, profits, income or other benefits of any kind from those clients.

- 31. Despite the agreement between Mediapotamus and Marketel as set forth herein, which in all respects was consistent with the Marketel compensation plan described in Paragraphs 13 to 20 above, disputes and controversies arose between Mediapotamus and Marketel relating to whether or not Mediapotamus and/or Ortiz were properly and completely compensated by Marketel.
- 32. Marketel and Hassell contend that Mediapotamus and/or Ortiz were compensated in accordance with the agreed compensation plan and that, in fact, Ortiz was overcompensated by Marketel, Hassell and the Associate Entities owned by Hassell because the work actually performed by Mediapotamus and/or Ortiz was of such poor quality, including but not necessarily limited to their negligent management of the finances, books and records of Marketel as described below (See Paragraphs 63 to 67 below).
- 33. Marketel and Hassell also contend that since Mediapotamus never procured any clients for Marketel neither it, nor Ortiz, were ever entitled to direct compensation as a procuring Associate Entity as described in Paragraphs 14 through 16 above.

INTELIMARC, INC.

- 34. Separate and distinct from his direct work with Marketel and his work with Marketel through his Associate Entities, in December 2011, Hassell formed an entity named Intelimarc, Inc. ["Intelimarc"].
- 35. Inteliment was formed for the sole purpose of negotiating and managing the advertising and marketing (as well as related advertising and marketing consulting services) for the Newt Gingrich-supporting Super PAC "Winning Our Future" ["Winning Our Future"].
- 36. Pursuant to its agreement with Winning Our Future, Intelimate was to perform advertising, marketing and strategy advice services which included radio advertising buys, email

blasts, search engine marketing, search engine optimization and Facebook advertising. Inteliment also played a key role in strategy and deployment of "Winning Our Future" mobile messaging, robocalls, polling, content development, earned media (interviews) and donor development.

- 37. Since Marketel had no experience in performing search engine marketing, search engine optimization or Facebook advertising but had substantial experience in radio advertising and radio advertising related services as well as email blast advertising, Inteliment contracted out to Marketel only the radio and email blast advertising for Winning Our Future.
- 38. What is more, Marketel did not have the time, capacity or resources to perform the search engine marketing, search engine optimization or the Facebook advertising and marketing for Winning Our Future.
- 39. Solely for purposes of Intelimarc's radio advertising and email blast advertising, which is the work regularly performed by Marketel and for which Marketel had the capacity to perform, Intelimarc was treated the same as any other Associate Entity that procured advertising and marketing work for Marketel.
- 40. Marketel was compensated for the work it performed for Winning Our Future just as it was compensated for any other client procured by an Associate Entity.
- 41. Mediapotamus and/or Ortiz were compensated in accordance with the compensation plan and general practice of Marketel as set forth herein, based on the work actually performed by Mediapotamus and/or Ortiz for Winning Our Future.
- 42. At all relevant times, Ortiz was informed about and aware of the working relationship between Intelimerc and Marketel as described herein and consented to the arrangement.

ORTIZ §55-7-42 DEMAND FOR DERIVATIVE ACTION

- 43. On February 14, 2013, Ortiz as minority shareholder of Marketel made a demand on Marketel pursuant to N.C. Gen. Stat. §55-7-42 to take action for various alleged wrongdoing by Hassell. A true and accurate copy of the demand letter is attached hereto as Exhibit A.
- 44. Pursuant to N.C. Gen. Stat. §55-7-42, Marketel had 90 days from the date of the demand letter to review and inquire into Ortiz's various allegations of wrongdoing by Hassell.
- 45. Ortiz did not set forth any reasons in her demand letter or any subsequent correspondence that would indicate that any irreparable harm would occur to her during the course of the 90 days in which Marketel was permitted to review the allegations.
- 46. Following review, Marketel has determined that no wrongdoing has occurred and, within the 90 days since receiving Ortiz's demand letter has filed this declaratory judgment action to obtain a court order that no wrongdoing has occurred (along with relief for the other claims set forth herein).

FIRST CLAIM FOR RELIEF Declaratory Judgment (Compensation Allocation and Distribution)

- 47. The allegations of paragraphs 1 through 46 are re-alleged and incorporated herein by reference.
- 48. As alleged herein, Mediapotamus and Ortiz were properly and fairly compensated in accordance with the compensation plan described herein based on (i) the services and/or work they actually performed for the Marketel Clients procured by the Associate Entities and (ii) the fact that Mediapotamus never procured any Marketel Clients.
- 49. In fact, as set forth above, Marketel and Hassell contend that Mediapotamus and/or Ortiz were overcompensated for the work actually performed due to the poor quality and negligent nature of work actually performed as set forth below.

- 50. An actual and existing controversy has arisen between Plaintiffs and Defendants regarding whether Mediapotamus and/or Ortiz have been properly compensated by Marketel.
- 51. Pursuant to N.C. Gen. Stat. § 1-253 et seq., Plaintiffs are entitled to judgment declaring that Mediapotamus and/or Ortiz have been properly compensated by Marketel.

SECOND CLAIM FOR RELIEF Declaratory Judgment (No Diversion of Corporate Opportunity)

- 52. The allegations in paragraphs 1 through 52 above are re-alleged and incorporated herein by reference.
- 53. As set forth herein, Marketel and Hassell did not divert any corporate opportunities of Marketel to Intelimate or any other person or entity.
- 54. Hassell and Intelimate provided Marketel with all work that it regularly and commonly performed and which it had the time, capacity and resources to perform.
- 55. An actual and existing controversy has arisen between Plaintiffs and Defendants regarding whether Hassell diverted corporate opportunities of Marketel.
- 56. Pursuant to N.C. Gen. Stat. § 1-253 et seq., Plaintiffs are entitled to judgment declaring that Hassell did not divert corporate opportunities of Marketel.

THIRD CLAIM FOR RELIEF Declaratory Judgment (Ownership of Shares in Marketel)

- 57. The allegations in paragraphs 1 through 56 above are re-alleged and incorporated herein by reference.
 - 58. As alleged herein, Ortiz, individually, became a shareholder of Marketel.
- 59. As agreed between Hassell and Ortiz, Hassell is a 51% shareholder of Marketel and Ortiz is a 49% shareholder of Marketel.

- 60. An actual and existing controversy has arisen between Plaintiffs and Ortiz regarding the percentage ownership of shares of each in Marketel.
- 61. Pursuant to N.C. Gen. Stat. § 1-253 et seq., Plaintiffs are entitled to judgment declaring that Hassell is a 51% shareholder in Marketel and Ortiz is a 49% shareholder in Marketel.

FOURTH CLAIM FOR RELIEF

Negligent Maintenance of Finances, Books and Records (Ortiz/Mediapotamus)

- 62. The allegations in paragraphs 1 through 61 above are re-alleged and incorporated herein by reference.
- 63. Mediapotamus and Ortiz were responsible for, and accepted responsibility for, managing the finances and maintaining the books and records of Marketel, including but not necessarily limited to, maintaining the actual physical and electronic financial and accounting files, maintaining QuickBooks, maintaining and managing customer billing, maintaining and managing vendor billing, maintaining and processing payroll for Ashley Long (Marketel's only employee at relevant times).
- 64. Part of the compensation paid to Mediapotamus and/or Ortiz by Marketel, Hassell's Associate Entities and other Associate Entities was compensation for Mediapotamus' and/or Ortiz's work in managing the finances and maintaining the books and records of Marketel as described above.
- 65. Mediapotamus and Ortiz had a duty to exercise reasonable care and accurately organize, compile, record and maintain the finances, books and records of Marketel (as described above).

- 66. Mediapotamus and Ortiz breached their duty to exercise ordinary and reasonable care and accurately organize, compile, record and maintain the finances, books and records of Marketel by doing (or failing to do), among other things, the following:
 - a) Physical files were not complete or organized making it difficult for Marketel to determine whether customer billing and vendor billing has been correct;
 - b) Maintaining the customer and vendor billing records in an unorganized and incomplete manner;
 - c) Improper customer billing and mistakes in the customer billing;
 - d) Improper vendor billing and mistakes in the vendor billing;
 - e) Failing to provide vendors with required IRS Form W-9s with invoices;
 - f) Upon information and belief, making unauthorized payroll to Ashley Long;
 - g) Making unauthorized bonus payments to Ashley Long;
 - h) Failing to identify multiple checks made payable, with Hassell's forged signature, to Ashley Long, which forged signature upon information and belief was drawn by Ashley Long;
 - Upon information and belief, making changes to year end 2011 accounting database after given to CPA for tax preparation.
- 67. As a direct and proximate result of the negligence of Mediapotamus and Ortiz, Marketel has suffered substantial monetary damage and has incurred expenses to remedy problems caused by Mediapotamus' and/or Ortiz's negligence, the amount of said monetary damage and expenses to be demonstrated at trial, but in any event, exceeding Ten Thousand Dollars (\$10,000.00).

FIFTH CLAIM FOR RELIEF Defamation and Slander (Ortiz)

- 68. The allegations in paragraphs 1 through 67 above are re-alleged and incorporated herein by reference.
- 69. Upon information and belief, Ortiz wrote and published, and/or caused to be written or published, a libelous statement about Hassell impeaching him in his business, trade and profession on the following website:

http://www.thefiscaltimes.com/Articles/2012/05/10/Guess-Whos-Funding-the-Super-PACs.aspx#page1

- 70. The statement which, upon information and belief, was published by Ortiz reads as follows: "Sam Hassell is a liar, cheat and a thief. He diverted \$1.2 million away from our company into his own." A copy of said statement is attached hereto as Exhibit B and incorporated herein by reference.
- 71. Upon information and belief, Ortiz knowingly, willfully and with actual malice published the above statement so that it reached one or more persons other than Hassell in an effort to harm Hassell personally and in his business, trade and profession.
 - 72. The above described statement is false.
- 73. Upon information and belief, Ortiz intended that the statement harm Hassell personally and in his business, trade and profession.
- 74. Upon information and belief, any person reading the Internet article and Ortiz's comment below the article would have reasonably understood that Ortiz's statement was intended to harm Hassell personally and in his business, trade and profession.
- 75. Upon information and belief, at the time of publication Ortiz either new the statement was false or reasonably should have known the statement was false.

- 76. Upon information and belief, Ortiz has also slandered Hassell to some of his long time business contacts and clients with whom he regularly conducts a substantial amount of business by similarly making false statements about Hassell to those business contacts that Hassell has diverted funds and is a liar and a thief and diverted a substantial amount of money owed to Ortiz for his own benefit.
- 77. Upon information and belief, the slanderous statements by Ortiz to Hassell's business contacts and clients with whom Hassel regularly conducts business are knowingly false and made by Ortiz with actual malice with an intent to cause substantial damage to Hassell, personally, and his business, trade and profession.
- 78. Hassell is entitled to monetary damages to compensate him for the harm caused by the libelous statement and slanderous comments described above and he is entitled to punitive damages from Ortiz as a result of her actual malice in publishing the statement.

WHEREFORE, Plaintiffs Marketel Media, Inc. and Samuel T. Hassell respectfully pray this Court as follows:

- 1. For a judgment declaring that Mediapotamus and/or Ortiz have been properly compensated by Marketel;
- 2. For a judgment declaring that Hassell did not divert corporate opportunities of Marketel;
- 3. For a judgment declaring that Hassell is a 51% shareholder in Marketel and Ortiz is a 49% shareholder in Marketel;
- 4. For a judgment awarding Marketel Media, Inc. monetary damages in an amount in excess of \$10,000.00 for the reasons set forth herein;

- 5. For an award of punitive damages against Ortiz for the libelous statement and slanderous comments alleged herein which were published and made with actual malice;
- 6. That this Verified Complaint be accepted as an affidavit in support of Plaintiffs' claims in this matter;
 - 7. For a trial by jury on all issues so triable;
- 8. A judgment for all reasonable attorneys' fees and costs incurred by Marketel and Hassell to the extent permitted, if any, by applicable law; and
 - 9. For such other and further relief as to the Court may deem just and proper.

This the 15th day of May, 2013

William S. Cherry III, NCSB #33860 Of Manning, Fulton & Skinner, P.A. Attorneys for Plaintiffs 3605 Glenwood Avenue, Suite 500

Raleigh NC 27612 P.O. Box 20389

Raleigh, North Carolina 27619-0389

Telephone: (919) 787-8880 Telefax: (919) 325-4604 cherry@manningfulton.com

753283 v3.WSC,25576,L43478

STATE OF NORTH CAROLINA :

COUNTY OF WAKE:

VERIFICATION

Sam T. Hassell, being duly sworn, deposes and says that he is the Majority Shareholder and President of Marketel Media, Inc., Plaintiff in the above referenced action, and as such is authorized to make this verification on behalf of Marketel Media, Inc. and in his individual capacity; that he has read the foregoing Complaint, and that the facts set forth therein are true to his own knowledge, except as to matters therein set forth upon information and belief, and as to such matters, he believes them to be true.

Sam T. Hassell, individual and as Majority Shareholder and President of Marketel Media, Inc.

WAKE COUNTY, NORTH CAROLINA

Sworn to and subscribed before me this day by Sam T. Hassell.

Date: May 15 , 2012.

Volklen L. Valarely

Notary Public: Kathleen A-Kolkassen (print/type nam.

My Commission Expires: 11-22-15

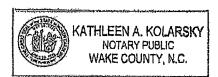


EXHIBIT A

LIEBERG OBERHANSLEY & STROHMEYER, LLP

A CALIFORNIA LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

41911 Fifth Street, Suite 300 Temecula, California 92590 Telephone (951) 699-6600 Facsimile (951) 699-6616

JON H. LIEBERG, Esq. jlicberg@losglaw.com

February 14, 2013

Via Certified Mail to
Marketel Media, Inc.
Attn: Board of Directors
33175 Temecula Parkway
Suite A203
Temecula, CA 92592

Via E-mail shassell@marketelmedia.com and Certified Mail Marketel Media, Inc. Attn: Sam Hassell and Board of Directors 111 Windel Drive Suite 201 Raleigh, NC 27609

Re:

Formal Demand for Marketel Media, Inc. and Sam Hassell to Remedy Breaches of Fiduciary Duty and Unauthorized Seizures of Corporate Opportunity; Request For Inspection of Corporate Books and Records

Dear Marketel Media, Inc., Members of the Board of Directors of Marketel Media, Inc., and Sam Hassell:

Kelly Jenkins-Ortiz has retained the services of this firm in the above-referenced matter. This letter shall serve as Ms. Ortiz' formal demand (as a shareholder) upon Marketel Media, Inc. ("Marketel") and Sam Hassell (as the other shareholder), pursuant to North Carolina General Statute section 55-7-42, to take the following actions:

1. Compensate Marketel for all breaches of fiduciary duties by Sam Hassell, Robert deRosset, and Mr. deRosset's law firm, Young Moore & Henderson P.A. – each individually, for breaches of fiduciary duties, actual fraud, constructive fraud, conversion, self-dealing, and civil conspiracy, among others. Each has conspired and engaged in unauthorized seizures of Marketel's corporate opportunities, including but not limited to,

Board of Directors Marketel Media, Inc. Sam Hassell February 14, 2013 Page 2 of 4

the acquisition and concealment of over \$1.2 million worth of business from "Winning Our Future" through the guise of Intelimarc, Inc. (a corporation apparently wholly owned by Mr. Hassell). Mr. Hassell owes fiduciary duties to Marketel (and Ms. Ortiz) as a controlling shareholder and officer, while Mr. deRosset and Young Moore & Henderson are Marketel's attorneys.

- Compensate Marketel for all other unauthorized seizures of corporate opportunities.
- 3. Compensate Marketel and Ms. Ortiz for the unauthorized and unagreed change of income allocation. Ms. Ortiz's profits have dropped by a substantial amount due to Mr. Hassell's unilateral change of income distribution. Ms. Ortiz did not approve of this unilateral change and as such, hereby demands full compensation based upon the prior income allocation formula.
- 4. Purchase Ms. Ortiz' ownership in the corporation, after Mr. Hassell and Mr. deRosset has compensated Marketel for all unauthorized seizures of corporate opportunities. The buyout price shall be determined after a business valuation and inspection of all corporate books and records. Such is reasonably necessary for the protection of Ms. Ortiz' rights and interests from further violations of fiduciary duties.

In addition, Ms. Ortiz demands that Marketel and Mr. Hassell make available all corporate records within five (5) business days of this letter. The purpose of this inspection is to determine the value of Ms. Ortiz' interest in the corporation and the corporation's financial condition, to communicate with all other purported shareholders, and to determine the extent of waste and mismanagement within the corporation. Please confirm that these records will be made available; this office will coordinate with a copy service for inspection and copying during business hours at the North Carolina office. See North Carolina General Statutes 55-16-03(a) (shareholder's agent and attorney have the same inspection rights as the shareholder). If you do not intend to make these following records available, then so state to avoid further liability for unnecessary costs and your reasons for denying access. The records made available shall include:

- a. articles of incorporation with all amendments;
- b. bylaws with all amendments;
- c. directors' resolutions creating and defining any class or series of shares that are outstanding pursuant to those resolutions;
- d. minutes of all shareholders' meetings and records of all action by shareholders without a meeting for the past three years;
- e. financial statements and all communications to shareholders within the past three years;

Board of Directors Marketel Media, Inc. Sam Hassell February 14, 2013 Page 3 of 4

- f. all names and business addresses of the current directors and officers;
- g. most recent annual report;
- h. records of any final action taken by the board of directors or by a committee of the board acting in place of the board on behalf of the corporation;
- i. minutes of any shareholders' meetings and records of action by shareholders without a meeting more than three years old;
- j. all accounting records of the corporation;
- k. record of shareholders;
- all other corporate records;
- m. the "long and expensive financial research" referred to in Mr. Hassell's e-mail of 2/14/13;
- n. all documents pertaining to the "\$80,000" in overpayments purportedly made to consulting companies referred to in Mr. Hassell's e-mail of 2/14/13;
- o. all requests for refunds on alleged overpayments made to any consulting companies referred to in Mr. Hassell's e-mail of 2/14/13;
- p. the canceled check showing \$18,000 for the initial capital contribution claimed by Mr. Hassell, as referred to in his e-mail of 2/14/13;
- q. all checks alleged to be forged by Ashley Long;
- r. copies of statements identifying all fraudulent debit card charges in the Marketel account, as alleged in Mr. Hassell's 2/14/13 e-mail;
- s. all communications including but not limited to letters, e-mails, or memoranda between Marketel and its attorneys, Mr. deRosset and Young Moore & Henderson, in the last three years;
- t. all communications including but not limited to letters, e-mails, or memoranda between Mr. Hassell and Mr. deRosset or any other member of Young Moore & Henderson in which Marketel, Ms. Ortiz, Ashley Long, or Christina (Mr. Hassell's prior assistant) are discussed in the last three years;
- u. copies of all invoices from Mr. deRosset or Young Moore & Henderson to Marketel in the last three years;
- v. copies of all invoices from Mr. deRosset or Young Moore & Henderson to Mr. Hassell for services relating to Marketel in the last three years;
- w. all agreements between Marketel and Mr. deRosset or Young Moore & Henderson:
- x. all checks from Marketel to Mr. deRosset or Young Moore & Henderson;
- y. all prepared and/or filed police reports of embezzlement, fraud, or other crimes, as against Ashley Long or Christina (Mr. Hassell's prior assistant).

Board of Directors Marketel Media, Inc. Sam Hassell February 14, 2013 Page 4 of 4

Please respond to this letter as soon as possible to prevent the institution of an unnecessary lawsuit. As this firm represents Ms. Ortiz, please forward all further communications to me and not to Ms. Ortiz personally.

Very truly yours,

JHL:jsl cc: Client

EXHIBIT B



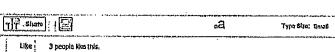
POLICY + POLITICS



Guess Who's Funding the Super PACs?



Fhoto: Cornady Cardi al



By MARCUS STERN, KRISTINA COOKE and ALEXANDER COHEN, Reuters Nay 10, 2012

ceember 2011 was a busy month for supporters of presidential candidate Newt Cingrich. The former speaker of the House had surged ahead of his Republican rivals in several polls. Suddenly he was being barraged by negative TV ads produced by Restore Our Future, a Super PAC for rival candidate Mitt Ronney.

Gingrich did not have the money to retaliate. Individual donations in federal elections are restricted to \$2,500. He needed his own Super PAC that could receive unlimited contributions.



Ever since the Supreme Court's 2010 decision in the Citizons United case paved the way for Super PACS, they have been a legitimate new tactle for political campaigns. As far as can be determined, Winning Our Future (WOF), the pro-Ginerich nolitical action committee, did not do anything impermissible under compaign finance laws. But

a look at its regular reports to the Federal Election Commission reveals a degree of legerdemain that appears commonplace in FEC records and makes it difficult for the public to know who ends up with the record amounts of money flowing into the political system today.

RELATED: Bill Bradley: Super PACs Are Killing Democracy

"Opaque transactions in politics undermine public confidence in the process," said Meredith McGechee, owner of McGehee Strategies, which works on public interest advocacy, and policy director at the Compaign Legal Center.



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POLICY + POLITICS



Guess Who's Funding the Super PACs?



Photos Cosredy Carbal

T 7 Ston ıа Type Size: Small 3 people like this.

May 10, 2012

PACs are required to report expenditures, including recipient and amount. Bulk checks to media buyers routinely run into the millions of dollars without disclosing subcontracts and other expenses. Side agreements over splitting of the discounts from the brondeasters are not subject to FEC disclosure. "Our system is based on the idea that (Super PACs) can basically spend money however they see fit, and if your donors think the committee is not spending it wisely, then they can decide not to give further," said FEC Commissioner Cynthia Bauerly.

'SECRET' COMPENSATION

Tyler is a seasoned political operative who began advising Winning Our Future in December. He described in the harshest terms what he says is the common industry practice of PAC staff secretly diveying up portions of the discount: "Kickbacks ... come back either to the campaign or the media vendor, in many cases the campaign manager. So you'll get a congressional campaign manager who on the sturface you think is making \$50,000-\$60,000. The fact is he could be making landreds of thousands of dollars. You have no idea because he's being paid separate from what you're seeing."

Total broadenst and cable spending during the 2012 race is projected to be \$3 billion. That means as much as \$450 million could be divided up among political consultants and campaign or PAC staff according to negotiated fee agreements and informal side deals.

Tyler disparaged this opaque system of fee sharing as a hallmark of big-name political consultants. He didn't name any specifically, but he says WOF avoided their help. Yet it's clear that some of the pro-Gingrich Super PACs vendors engaged in some opacity.

WOF's TV ad buys were handled by Media Advantage, which was incorporated in Baton Rouge, Louisiann, on December 6, 2011 - a week before WOF submitted its organizing

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statement to the FEC. The owner was listed as Laura Lancaster, of Buton Rouge, who did not return phone calls from Reuters. The real bayer, according to Tyler, was Ken Kurson, a partner and executive vice president of Jamestown Associates in Princeton, New Jersey. Neither Kurson nor Jamestown CEO Larry Weitzner would comment for this story.

Tyler soid that when WOF first approached Kurson, Jamestown said it had a conflict: It was already handling TV ads for the pro-Rick Perry Super PAC Make Us Great Again. While media buyers have no obligation to avoid such conflicts the way law firms or investment banks do, they prefer not to advartise them. Commercial clients may not want to be linked to certain politicians, and political clients may worty about leaks inside the organization.

RELATED: What Mitt Romney Spent to Secure the GOP Nomination

Political vendors sometimes work for rival campaigns because there are more candidates than companies that can execute a good national media-buying strategy, according to industry experts. To avoid disclosing their identity in FEC records and to avoid lenks within the organization, one prominent media consultant explained, they spin off a separate corporation. How separate is another matter.

Jamestown Associates "just told Ken it would be fine to set up his own company," Tyler said in explaining why Kurson established Media Advantage in December.

Kurson was behind another mysterious WOF vendor, according to Tyler. Empire Creative is shown in FEC reports as receiving \$195,875 to produce ads. This company was incorporated in Dolaware on October 31, 2011, by National Registered Agents Inc. An official with National Registered Agents said the company has an agreement with its customers to keep their identities confidential. The incorporation documents reveal nothing beyond a post office box number in New York City.

SPOTTY RECORDS

The name of Sam Hassell does not appear on any FEC reports from Winning Our Future, but Routers discovered that he received the largest chunk of money from the Super PAC. Payments totaling more than \$8.1 million were made to his two companies. He created Marketel Media Inc five months before WOF was formed and Intelimate Inc just nine days before,

Although Hassell is the sole stakeholder in Intellimere, his name is not on its incorporation documents. Two local attorneys are cited instead, December was so heetic, said Hassell, he had his brother's law firm do the work. WOF paid Intellimere \$1.2 million for Internet and email advertising, according to FEC records.

In recent years, Hassell sold radio ads for Salem Radio Network, a national network of stations that feature Christian music and conservative telk show hosts. He left in May 2011 to become chief executive officer of one of its clients, the Association of Mature American Citizens (AMAC), a for-profit company that offers members discounts on various goods and services. When Hassell incorporated Marketel in July, AMAC was its only client, WOF is now a second.

WOF bought \$1.9 million in radio oir time, according to Smart Media Group, a political advertising company in Alexandria, Virginia, that monitors political ads on TV, radio and cable outlets. According to its reports to the PEC, WOF poid Marketel at least \$2.9 million solely for radio advertising.



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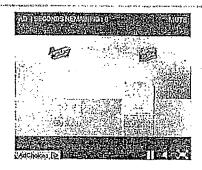
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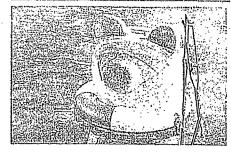
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STATE OF NORTH CAROLINA	:	IN THE GENERAL COURT OF JUSTICES
COUNTY OF WAKE	:	SUPERIOR COURT DIVISION 13-CVS-06922
MARKETEL MEDIA, INC. and SAMUEL T. HASSELL,)	
Plaintiffs,	j	AFFIDAVIT OF SERVICE
v.)	
MEDIAPOTAMUS, INC. and KELLY JENKINS ORTIZ,)	
Defendants) S.)	

William S. Cherry, III, being first duly sworn, deposes and says:

- 1. That I am counsel for Plaintiff, in the above entitled action.
- 2. That as counsel for plaintiff I had a Civil Summons issued for attachment to the filed Complaint in the above described action on May 15, 2013.
- 3. That the Civil Summons with a copy of the Complaint was duly served on defendant Mediapotamus, Inc. by Federal Express (Tracking No. 799771217843), adult signature required, at the following address:

Mediapotamus, Inc. 33175 Temecula Parkway, Suite A203 Temecula, CA 92592

The "Signature Page" is attached hereto as Exhibit A and incorporated herein by reference as evidence that such service was received by defendant on May 16, 2013.

4. That the Civil Summons with a copy of the Complaint was duly served on defendant Kelly Jenkins Ortiz by Federal Express (Tracking No. 799771310679), adult signature required, at the following address:

Kelly Jenkins Ortiz 24087 Semillon Lane Murrieta, CA 92562

The "Signature Page" is attached hereto as Exhibit B and incorporated herein by reference as evidence that such service was received by defendant on May 16, 2013.

This the 16th day of May, 2013.

William S. Cherry, III, NCSB # 33860

MANNING FULTON & SKINNER P.A.

Attorneys for Plaintiffs

3605 Glenwood Avenue, Suite 500

Post Office Box 20389

Raleigh, North Carolina 27619-0389

Telephone:

(919) 787-8880

Facsimile:

(919) 325-4604

E-Mail:

cherry@manningfulton.com

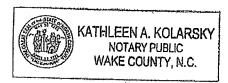
STATE OF NORTH CAROLINA COUNTY OF WAKE

Sworn to and subscribed before me by William S. Cherry, III this the 16 th

day of May 201

Kothleen J. Kalarshy, Notary Publi (Type of Print Notary Name)

My Commission Expires: 11-22-15



753585.25576-L43478

CERTIFICATE OF SERVICE

This is to certify that a copy of the foregoing *Affidavit of Service* was duly served this day on all parties by forwarding a copy thereof enclosed in a postage paid envelope deposited in the United States mail, addressed as follows:

Mediapotamus, Inc.
33175 Temecula Parkway, Suite A203
Temecula, CA 92592

Kelly Jenkins Ortiz 24087 Semillon Lane Murrieta, CA 92562

This the <u>16th</u> day of <u>May</u>, 2013.

William S. Cherry, III, NCSB # 33860 MANNING FULTON & SKINNER P.A.

Attorneys for Plaintiffs

3605 Glenwood Avenue, Suite 500

Post Office Box 20389

Raleigh, North Carolina 27619-0389

Telephone: Facsimile: (919) 787-8880 (919) 325-4604

E-Mail:

cherry@manningfulton.com



May 16,2013

Dear Customer:

The following is the proof-of-delivery for tracking number 799771217843.

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Service type:

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Deliver Weekday

Delivery date:

May 16, 2013 09:59

Special Handling:

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Tracking number:

799771217843

Ship date: Weight:

May 15, 2013 0.5 lbs/0.2 kg

Recipient:

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Reference

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Shipper:

William S. Cherry, III

MANNING FULTON & SKINNER, PA

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SUITE 500

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May 16,2013

Dear Customer:

The following is the proof-of-delivery for tracking number 799771310679.

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Service type:

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Residential Delivery

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Tracking number:

799771310679

Ship date:

Weight:

May 15, 2013 0.5 lbs/0.2 kg

Recipient:

Reference.

Kelly Jenkins Ortiz 24087 Semillon Lane Murrieta, CA 92562 US Shipper:

William S. Cherry, III

MANNING FULTON & SKINNER, PA

3605 GLENWOOD AVENUE

SUITE 500

RALEIGH, NC 27612 US

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Thank you for choosing FedEx.

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